

**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

**IN RE:**

**SENTINEL TRUST COMPANY**

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**NO. 4781**

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**MOTION FOR APPROVAL OF RECEIVER,  
OUTSIDE COUNSEL AND THIRD PARTY CONTRACTORS FEES**

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Kevin P. Lavender, Commissioner of the Department of Financial Institutions for the State of Tennessee, and Jeanne Barnes Bryant, Receiver of Sentinel Trust Company, move this Court for an Order approving the fees presented for payment by the Receiver, outside counsel and third party contractors. Pursuant to the attached Order of this Court, all Receiver, counsel fees and fees for third party litigation support are filed with the Court under seal and amounts of fees and time frames covered (as shown herein) are sent to non-privileged parties.

1. The Commissioner of Financial Institutions entered a Notice of Possession for Sentinel Trust Company on May 18, 2004, and subsequently filed a Notice of Liquidation on June 18, 2004.

2. Pursuant to Tenn. Code Ann. § 45-2-1502(b)(2), the Commissioner appointed Jeanne Barnes Bryant as Receiver for Sentinel Trust Company.

3. Pursuant to Tenn. Code Ann. § 45-2-1504(h)(1)(A), compensation for the Receiver is fixed by the Commissioner of the Department of Financial Institutions, and is payable from the funds or assets of the receivership estate. The Receiver will be reimbursed monthly for work incurred for the receivership estate, in the amount of \$115.00 per hour. The Receiver submits invoices to the Commissioner and the Tennessee Department of Financial

Institutions on a monthly basis for approval prior to payment. These invoices are reviewed and paid after approval of the Commissioner and his staff.

4. The Receiver, Jeanne Barnes Bryant, performed work for this receivership, as shown on the attached Exhibit for the period of December 1, 2004 – December 31, 2004 in the amount of \$15,918.25 (detailed invoices of which are filed Under Seal). Those working under Ms. Bryant (Mr. Spaulding, Ms. Batey, Rob Moore and Ms. Forton) have performed work for the receivership as shown in the attached material for the period December 1, 2004 – December 31, 2004 in the amount of \$22,670.99 (detailed invoices of which are filed Under Seal). The Commissioner and his staff have determined these fees to be reasonable, appropriate and necessary for the services rendered for the receivership. These fees have been approved for payment. See also, Affidavits of Jeanne Barnes Bryant and Commissioner Kevin P. Lavender filed herewith.

5. The fee arrangements with outside counsel and the third party contractors were originally negotiated between the parties pursuant to the Notice of Possession dated May 18, 2004. The hourly rate agreed to regarding services performed by the outside counsel of Wyatt, Tarrant & Combs has been \$175/hour. In support of this Motion, the Receiver would rely upon her affidavit filed herewith, the affidavit of Commissioner Lavender filed herewith and the billing statements attached hereto (detailed invoices of which are filed Under Seal).

6. The Receiver, the Commissioner and his staff have reviewed all of the Wyatt, Tarrant & Combs outside counsel's billings, and have found the fees to be fair, reasonable and proper for the services provided. The Receiver, the Commissioner and his staff have also reviewed the billings of Receivership Management, Inc. and have found these fees to be fair, reasonable and proper for the services provided.

7. There are counsel previously engaged by Sentinel Trust pursuing various defaulted bond issues in several states. As believed to be necessary by the Receiver, counsel have been instructed to continue work on a number of default issues. Depending on the work completed during each monthly reporting period to the Court, the counsel will be listed separately, and approval requested for payment. The counsel work for which approval for payment for invoices presented to the Receiver during this time period is listed below. The Receiver has reviewed the invoices submitted by Ramey & Flock, Waller Lansden Dortch & Davis, Moore & Van Allen PLLC, James A. Skinner, Williams & Prochaska PC, Strasburger & Price LLP, Heartfield & McGinnis LLP and Chesser & Barr PA (detailed invoices being filed Under Seal). The Receiver believes this work to have been necessary and reasonable to continue work concerning the default bond issues.

8. The billings so reviewed, and for which Court approval is sought, are as follows:
- A. Invoices for Jeanne Barnes Bryant for December 1, 2004 through December 31, 2004 in the amount of \$15,918.25.
  - B. Invoices for Receivership Management, Inc. for December 1, 2004 through December 31, 2004 in the amount of \$22,670.99.
  - C. Invoices for Wyatt, Tarrant & Combs for December 1, 2004 through December 31, 2004 in the amount of \$27,626.30.
  - D. Invoices for Ramey & Flock for November 1, 2004 through November 30, 2004 in the amount of \$1,345.47.
  - E. Invoices for Waller Lansden Dortch & Davis for November 1, 2004 through November 30, 2004 in the amount of \$14,111.77.
  - F. Invoices for Moore & Van Allen, PLLC for October 1, 2004 through November 30, 2004 in the amount of \$242.11.


- G. Invoices for James A. Skinner for December 1, 2004 through December 31, 2004 in the amount of \$1,260.00.
- H. Invoices for Williams & Prochaska, PC for December 1, 2004 through December 31, 2004 in the amount of \$2,138.04.
- I. Invoices for Strasburger & Price for November 1, 2004 through November 30, 2004 in the amount of \$264.00.
- J. Invoices for Heartfield & McGinnis, LLP for November 1, 2004 through November 30, 2004 in the amount of \$309.40.
- K. Invoices for Chesser & Barr, PA for October 1, 2004 through December 31, 2004 in the amount of \$7,119.35.

Accordingly, the Commissioner and Receiver respectfully move this Court for an Order approving the fees set forth in the attached schedule as indicated pursuant to T.C.A. § 45-2-1504(h)(1)(A).

Respectfully submitted,

  
J. Graham Matherne, BPR #11294  
Wyatt, Tarrant & Combs, LLP  
2525 West End Avenue, Suite 1500  
Nashville, TN 37203-1423  
(615) 244-0020

Counsel for Jeanne Barnes Bryant and Receivership  
Management, Inc., Receiver of Sentinel Trust Co

  
Janet M. Kleinfelter (by C. McPherson  
of permission)  
Counsel for Commissioner Kevin Lavender  
Attorney General's Office  
425 5<sup>th</sup> Avenue North  
P.O. Box 20207  
Nashville, TN 37243

**THIS MOTION IS SET TO BE HEARD ON THE 28<sup>th</sup> DAY OF FEBRUARY, 2005 AT  
9:00 A.M. IN HOHENWALD, LEWIS COUNTY, TENNESSEE.**

**CERTIFICATE OF SERVICE**

This is to certify that on February 17<sup>th</sup>, 2005 a copy of the foregoing Motion has been sent by First Class U.S. Mail, postage paid, to:

James S. Chase  
John A. Decker  
Hunton & Williams LLP  
900 South Gay Street, Suite 2000  
P.O. Box 951  
Knoxville, TN 37901

Donald Schwendimann  
306 W. Main Street  
P.O. Box 366  
Hohenwald, TN 38462

David D. Peluso  
106 East Main Street  
Hohenwald, TN 38462

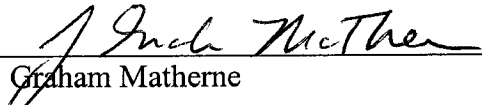
William B. Hubbard  
Weed, Hubbard, Berry & Doughty  
SunTrust Bank Bldg., Suite 1420  
201 Fourth Avenue North  
Nashville, TN 37219

Carrol Kilgore  
Branstetter, Kilgore, Stranch & Jennings  
227 Second Avenue North  
4<sup>th</sup> Floor  
Nashville, TN 37201

Larry Stewart  
Stokes, Bartholomew, Evans & Petree  
424 Church Street, Suite 2800  
Nashville, TN 37219

James S. Hereford, Jr.  
310 W. College Street  
P.O. Box 802  
Fayetteville, TN 37334-0802

Diana M. Thimmig  
Roetzel & Andress  
1375 East Ninth Street  
One Cleveland Center, Ninth Floor  
Cleveland, OH 44114

  
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J. Graham Matherne

IN THE CHANCERY COURT OF LEWIS COUNTY  
AT HOHENWALD, TENNESSEE

In Re: Sentinel Trust Company

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) Case No. 4781  
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FILED  
11:56 AM June 30, 2004 PM  
JANET WILLIAMS, CLERK & MASTER  
BY: Selena Wy D.C.

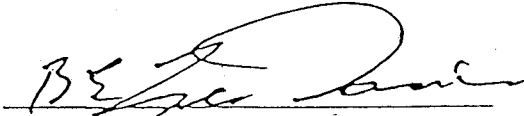
ORDER ALLOWING THE FILING OF FEE SUMMARY  
STATEMENTS OF RECEIVER, OUTSIDE COUNSEL AND  
THIRD PARTY LITIGATION SUPPORT CONTRACTORS AND  
ALLOWING THE FILING UNDER SEAL OF INVOICES CONTAINING  
DETAILED DESCRIPTION OF SERVICES RENDERED

Through Motion filed on June 18, 2004, the Receiver of Sentinel Trust Company has requested that in relation to reporting fee information to the Court 1) the detailed invoices relating to fees of herself, outside counsel and third party litigation support contractors be filed under seal, and 2) summaries of such fees be filed publicly. This Motion was heard on June 30, 2004. The Court is persuaded the Motion has merit and the relief requested should be granted.

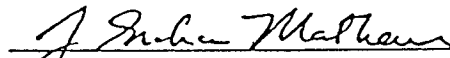
Accordingly, the instant Motion is granted and the Court hereby ORDERS the following:

- a) Public filing regarding fees of the Receiver, outside counsel and third party litigation support contractors shall be limited to summaries of such information -- i.e., name of recipient, time over which services were rendered and amount billed, and
- b) Filing of the detailed invoices of services of the Receiver, outside counsel and third party litigation support contractors shall be UNDER SEAL and are to be free from public dissemination, distribution and circulation.

It is so ORDERED, this the 30 day of June, 2004

  
Chancellor

Submitted and Approved for Entry:

  
J. Graham Matherne  
Wyatt, Tarrant & Combs  
2525 West End Avenue, Suite 1500  
Nashville, TN 37203-1423  
(615) 244-0020

Counsel for Jeanne Barnes Bryant and  
Receivership Management, Inc.  
Receiver of Sentinel Trust Company



CERTIFICATE OF SERVICE

This is to certify that on June 18, 2004 a copy of the foregoing Notice has been sent by First Class U.S., postage paid, and/or by facsimile transmission to:

Danny Bates  
205 Bastin Road  
Hohenwald, TN 38462

Bradley S. Lancaster  
8448 Indian Hills Drive  
Nashville, TN 37221

Howard W. Cochran  
3636 Mahlon Moore Road  
Spring Hill, TN 37174

Danny N. Bates  
Registered Agent for Sentinel Trust Company  
29 West Main Street  
Hohenwald, TN 38462

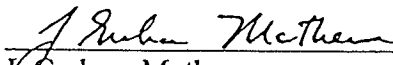
Gary L. O'Brien  
63 Shady Lane  
Hohenwald, TN 38462

Donald Schwendimann  
306 W. Main Street  
P.O. Box 366  
Hohenwald, TN 38462  
[FAX] (931) 796-5692

William H. Farmer  
Farmer & Luna  
333 Union Street, Suite 300  
Nashville, TN 37201  
[FAX] (615) 254-7123

Cecil D. Branstetter  
Branstetter, Kilgore, Stranch & Jennings  
227 Second Avenue, North  
4<sup>th</sup> Floor  
Nashville, TN 37201  
[FAX] (615) 255-5419

Clifton T. Bates  
312 Bastin Road  
Hohenwald, TN 38462

  
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Graham Matherne

**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

**IN RE:**

**SENTINEL TRUST COMPANY**

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**No. 4781**

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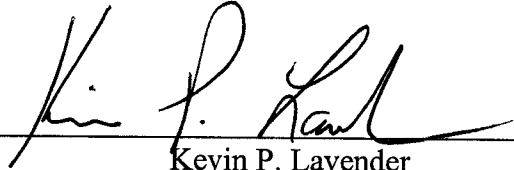
**AFFIDAVIT OF COMMISSIONER KEVIN P. LAVENDER**

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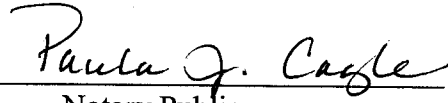
I, Kevin P. Lavender, after having been first duly sworn, do attest as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein.
2. I am the Commissioner of the Tennessee Department of Financial Institutions. I took emergency possession of Sentinel Trust Company on May 18, 2004 and appointed Receivership Management, Inc. as the Receiver for Sentinel Trust Company.
3. Either I, or my staff at my direction, have reviewed the fees and invoices contained in this filing for the services performed by the Receiver for the period December 1, 2004 – December 31, 2004.
4. Based on the recommendations of my staff, I have determined that the rates being charged by the Receiver are either at a discounted or market rate for the services provided.
5. Either I, or my staff at my direction, have reviewed the invoices and fees presented by the Receiver and I have determined that all of the services noted are fair, reasonable, and proper for the services provided, and that they are necessary costs of this receivership. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged, and the person performing the work. No billings were excessive or duplicative.
6. Furthermore, either I, or my staff have reviewed the fees for Legal Counsel and Third Party Contractors approved by the Receiver and presented with this filing, and based on the recommendations of the Receiver, I have determined that these fees are fair, reasonable and proper for the services provided. All fees will be reviewed on a monthly basis prior to payment.

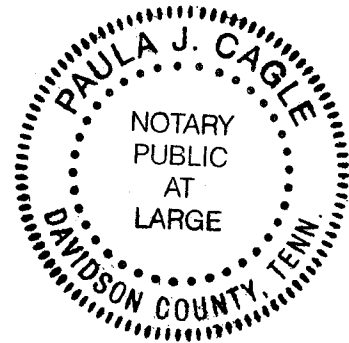
FURTHER AFFIANT SAITH NOT.

  
Kevin P. Lavender

Subscribed and sworn to before me by Kevin P. Lavender, on this the 14<sup>th</sup> day  
of February, 2005.

  
Notary Public

My Commission Expires: My Commission Expires NOV. 25, 2006



**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

IN RE:

SENTINEL TRUST COMPANY

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NO. 4781

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**AFFIDAVIT OF JEANNE BARNES BRYANT**

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I, Jeanne Barnes Bryant, after being duly sworn, state as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Motion for approval of fees as Receiver and for approval of counsel and third party contractor fees.

2. As Receiver appointed by the Commissioner, I have been responsible for the administration Notice of Possession entered by the Commissioner on May 18, 2004.

3. As Receiver, I have filed for interim fees in the Sentinel receivership in the amount of \$15,918.25. This amount is due for the period of time December 1, 2004 – December 31, 2004.

4. The fees presented for approval were necessary for the work provided and are not duplicative or excessive. I believe the fees presented for approval are fair, reasonable, and proper for the services provided.

5. I am responsible for engaging and approving all third party contractors and for approving fees of legal counsel engaged by the Commissioner, all of whose fees are contained in this Motion. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged, and the person performing the work. The invoices are filed with the Court under seal. I have determined that the rates being charged by the contractors and counsel are either at a discounted or market rate in their area for the services provided.

6. I have reviewed the individual invoices submitted for work by all the third party contractors. I have also reviewed the billings submitted for work by outside counsel for the period of December 1, 2004 through December 31, 2004. I have determined that the fees were necessary for the work provided and are not duplicative or excessive. I have submitted all invoices to the Department for approval on a monthly basis. All invoices may be paid subsequent to receiving approval from the Commissioner each month.

7. I believe that all fees presented for approval contained in this filing are fair, reasonable, and proper for the necessary services provided.

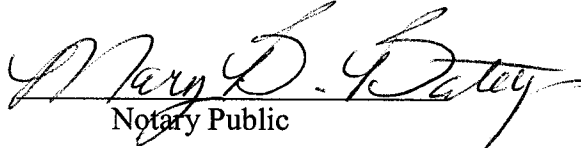
**FURTHER AFFIANT SAITH NOT.**

  
JEANNE BARNES BRYANT (5835)

**STATE OF TENNESSEE )**

**COUNTY OF DAVIDSON )**

Sworn to and subscribed before me this 24 day of January 2005.

  
Notary Public

My commission expires: 5-19-07

**INTERIM FEE SCHEDULE**

<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>AMOUNT</u></b>
12/04	Jeanne Barnes Bryant - December 2004	15,450.25
12/04	JBB Expenses - December 2004	<u>468.00</u>
	<b>TOTAL RECEIVER FEES</b>	<b>\$15,918.25</b>

**THIRD PARTY SCHEDULE**

<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>AMOUNT</u></b>
	<i>Receivership Management, Inc.</i>	
12/04	Billy Spaulding - December 2004	9,051.00
12/04	BS Expenses - December 2004	583.15
12/04	Mary Batey - December 2004	4,655.00
12/04	MB Expenses - December 2004	301.39
12/04	Sarah Forton - December 2004	4,068.75
12/04	SDF Expenses - December 2004	205.20
12/04	Rob Moore - December 2004	1,692.00
12/04	RM Expenses - December 2004	222.09
12/04	Operating Cost - December 2004	<u>1,892.41</u>
	<b>TOTAL RMI FEES</b>	<b>\$22,670.99</b>
	<b>TOTAL THIRD PARTY FEES</b>	<b>\$22,670.99</b>

**OUTSIDE COUNSEL**

<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>AMOUNT</u></b>
12/04	Wyatt Tarrant & Combs - December 2004 INV 614710	15,093.38
12/04	Wyatt Tarrant & Combs - December 2004 INV 614712	1,050.02
12/04	Wyatt Tarrant & Combs - December 2004 INV 614713	609.55
12/04	Wyatt Tarrant & Combs - December 2004 INV 614714	443.26
12/04	Wyatt Tarrant & Combs - December 2004 INV 614715	753.10
12/04	Wyatt Tarrant & Combs - December 2004 INV 614716	910.00
12/04	Wyatt Tarrant & Combs - December 2004 INV 614717	1,592.50
12/04	Wyatt Tarrant & Combs - December 2004 INV 614718	1,085.00
12/04	Wyatt Tarrant & Combs - December 2004 INV 614719	1,055.78
12/04	Wyatt Tarrant & Combs - December 2004 INV 614720	1,474.79
12/04	Wyatt Tarrant & Combs - December 2004 INV 614721	1,056.14
12/04	Wyatt Tarrant & Combs - December 2004 INV 614722	538.58
12/04	Wyatt Tarrant & Combs - December 2004 INV 614723	660.09
12/04	Wyatt Tarrant & Combs - December 2004 INV 614724	901.61
12/04	Wyatt Tarrant & Combs - December 2004 INV 614744	402.50
	<b>TOTAL WYATT, TARRANT &amp; COMBS FEES</b>	<b>\$27,626.30</b>
12/04	Ramey & Flock - November 2004	\$1,283.95
12/04	Ramey & Flock - November 2004	\$61.52
	<b>TOTAL RAMEY &amp; FLOCK FEES</b>	<b>\$1,345.47</b>
12/04	Waller Lansden Dortch & Davis - November 2004	\$14,111.77
	<b>TOTAL WALLER LANSDEN FEES</b>	<b>\$14,111.77</b>
12/04	Moore & Van Allen PLLC - October & November 2004	\$242.11
	<b>TOTAL MOORE &amp; VAN ALLEN FEES</b>	<b>\$242.11</b>
12/04	James A. Skinner - December 2004	\$500.00
12/04	James A. Skinner - December 2004	\$700.00
12/04	James A. Skinner - December 2004	\$60.00
	<b>TOTAL JAMES A SKINNER FEES</b>	<b>\$1,260.00</b>
12/04	Williams & Prochaska PC - December	\$2,138.04
	<b>TOTAL WILLIAMS &amp; PROCHASKA FEES</b>	<b>\$2,138.04</b>
12/04	Strasburger & Price, LLP - November 2004	\$264.00
	<b>TOTAL STRASBURGER &amp; PRICE FEES</b>	<b>\$264.00</b>



12/04	Heartfield & McGinnis, LLP - November 2004	<u>\$309.40</u>
	<b>TOTAL HEARTFIELD &amp; MCGINNIS FEES</b>	<b>\$309.40</b>
12/04	Chesser & Barr, PA - October / December 2004	<u>\$7,119.35</u>
	<b>TOTAL CHESSER &amp; BARR FEES</b>	<b><u>\$7,119.35</u></b>
	<b>TOTAL OUTSIDE COUNSEL FEES</b>	<b>\$54,416.44</b>